

2008 IRS Economic Stimulus Package Rebates

IRS Refund Rebates stemming from the Economic Stimulus Package are on their way. Rebates are scheduled for release based on the last two-digits of the social security number for the main tax filer beginning May 2nd 2008 for those that received tax refunds through direct deposit and beginning May 16th 2008 for those that did not choose direct deposit.

However, if you are entitled to a tax rebate and you owe back child support, chances are your rebate will be intercepted and applied to your child support debt.

Criteria to receive an IRS Refund Rebate include;

- Must have filed a 2007 tax return by October 15, 2008
- Have a valid SSN and,
- Have at least \$3000 in income

Persons entitled to an IRS Refund Rebate will receive a notice from the IRS indicating the amount of the rebate. This notice will also include the amount they are eligible to receive and when the payment is scheduled to be issued.

If an obligor's rebate check is going to be intercepted to pay child support arrears, a separate Offset Notice will be sent to the obligor indicating this.

Pursuant to Public Law No. 110-185, each spouse is entitled to receive half of the rebate where a 2007 tax return has been filed. The IRS will calculate the injured spouse claims at 50% of the payment prior to any offset. This is regardless of the percentage of income that spouse had for the tax year and regardless of whether the children claimed on the tax return belong to him or her.

Here is an example of how a Rebate Check might be offset for a Husband who owes child support arrears (and an Injured Spouse Claim was filed with their 2007 joint tax return):

The Wife has 3 minor children in her home from a previous marriage. The Husband has no minor children of his own in the home and they have no children in common. They are eligible for a \$2,100 Rebate Check. (\$1200 of this qualifies due to the joint filing of their 2007 tax return and an additional \$900 is for the wife's 3 children from her previous marriage). The Husband owes child support arrears from his previous marriage. The amount that will be offset and applied to the Husband's child support case is ½ of the total Rebate Check or \$1,050.

If an Injured Spouse Claim was not filed with a joint tax return and is not filed prior to the issuance of the Rebate Checks, the entire rebate becomes eligible for offset if one of the parties owe qualifying child support arrears.

For more information on the IRS Tax Offset process, you may contact the Franklin County Child Support Enforcement Agency at (614) 462-3275 or contact the IRS at (800) 829-1040 or visit www.irs.gov.